

SENATE AMENDMENTS

2nd Printing

By: Frank, González of El Paso, Noble,
Guillen, Capriglione

H.B. No. 3720

A BILL TO BE ENTITLED

1 AN ACT
2 relating to interest lists and eligibility criteria for certain
3 Medicaid waiver programs.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter B, Chapter 531, Government Code, is
6 amended by adding Sections 531.06011 and 531.06035 to read as
7 follows:

8 Sec. 531.06011. CERTAIN MEDICAID WAIVER PROGRAMS: INTEREST
9 LIST MANAGEMENT. (a) This section applies only with respect to the
10 following waiver programs:

11 (1) the community living assistance and support
12 services (CLASS) waiver program;

13 (2) the home and community-based services (HCS) waiver
14 program;

15 (3) the deaf-blind with multiple disabilities (DBMD)
16 waiver program;

17 (4) the Texas home living (TxHmL) waiver program;

18 (5) the medically dependent children (MDCP) waiver
19 program; and

20 (6) the STAR+PLUS home and community-based services
21 (HCBS) program.

22 (b) The commission, in consultation with the Intellectual
23 and Developmental Disability System Redesign Advisory Committee
24 established under Section 534.053, the state Medicaid managed care

1 advisory committee, and interested stakeholders, shall develop a
2 questionnaire to be completed by or on behalf of an individual who
3 requests to be placed on or is currently on an interest list for a
4 waiver program.

5 (c) The questionnaire developed under Subsection (b) must,
6 at a minimum, request the following information about an individual
7 seeking or receiving services under a waiver program:

8 (1) contact information for the individual or the
9 individual's parent or other legally authorized representative;

10 (2) the individual's general demographic information;

11 (3) the individual's living arrangement;

12 (4) the types of assistance the individual requires;

13 (5) the individual's current caregiver supports and
14 circumstances that may cause the individual to lose those supports;

15 and

16 (6) when the delivery of services under a waiver
17 program should begin to ensure the individual's health and welfare
18 and that the individual receives services and supports in the least
19 restrictive setting possible.

20 (d) Subject to the availability of funds, the commission
21 shall require all individuals on an interest list to annually
22 update the questionnaire developed under Subsection (b).

23 (e) If the commission determines that it is feasible, the
24 commission shall develop an online portal to allow an individual or
25 an individual's parent or other legally authorized representative
26 to:

27 (1) request placement on a waiver program interest

1 list; and

2 (2) complete and update the questionnaire developed
3 under Subsection (b).

4 (f) If an individual is on a waiver program's interest list
5 and the individual or the individual's parent or other legally
6 authorized representative does not respond to a written or verbal
7 request made by the commission to update information concerning the
8 individual or otherwise fails to maintain contact with the
9 commission, the commission:

10 (1) shall designate the individual's status on the
11 interest list as inactive until the individual or the individual's
12 parent or other legally authorized representative notifies the
13 commission that the individual is still interested in receiving
14 services under the waiver program; and

15 (2) at the time the individual or the individual's
16 parent or other legally authorized representative provides notice
17 to the commission under Subdivision (1), shall designate the
18 individual's status on the interest list as active and restore the
19 individual to the position on the list that corresponds with the
20 date the individual was initially placed on the list.

21 (g) The commission's designation of an individual's status
22 on an interest list as inactive under Subsection (f) may not result
23 in the removal of the individual from that list or any other waiver
24 program interest list.

25 (h) Not later than September 1 of each year, the commission
26 shall provide to the Intellectual and Developmental Disability
27 System Redesign Advisory Committee established under Section

1 534.053, or, if that advisory committee is abolished, an
2 appropriate stakeholder advisory committee, as determined by the
3 executive commissioner, the number of individuals, including
4 individuals whose status is designated as inactive by the
5 commission, who are on an interest list to receive services under a
6 waiver program.

7 Sec. 531.06035. MEDICALLY DEPENDENT CHILDREN WAIVER
8 PROGRAM (MDCP) INTEREST LIST; MEDICAL NECESSITY ASSESSMENT
9 REQUIRED. (a) This section applies only to a child who receives
10 Supplemental Security Income (SSI) (42 U.S.C. Section 1381 et
11 seq.).

12 (b) If a child's parent or other legally authorized
13 representative expresses interest in placing the child on the
14 interest list for the medically dependent children (MDCP) waiver
15 program, the commission shall conduct a medical necessity
16 assessment of the child to ensure the child is eligible for services
17 before placing the child on the program's interest list.

18 SECTION 2. Subchapter B, Chapter 32, Human Resources Code,
19 is amended by adding Section 32.0521 to read as follows:

20 Sec. 32.0521. ELIGIBILITY FOR TEXAS HOME LIVING (TxHmL)
21 WAIVER PROGRAM. (a) In this section:

22 (1) "Related condition" means, consistent with 42
23 C.F.R. Section 435.1010, a severe and chronic disability that:

24 (A) is attributed to:

25 (i) cerebral palsy or epilepsy; or

26 (ii) any other condition, other than mental
27 illness, found to be closely related to intellectual disability

1 because the condition results in impairment of general intellectual
2 functioning or adaptive behavior similar to that of individuals
3 with intellectual disability, and requires treatment or services
4 similar to those required for individuals with intellectual
5 disability;

6 (B) is manifested before the individual reaches
7 22 years of age;

8 (C) is likely to continue indefinitely; and

9 (D) results in substantial functional limitation
10 in at least three of the following areas of major life activity:

11 (i) self-care;

12 (ii) understanding and use of language;

13 (iii) learning;

14 (iv) mobility;

15 (v) self-direction; and

16 (vi) capacity for independent living.

17 (2) "Section 1915(c) waiver program" has the meaning
18 assigned by Section 531.001, Government Code.

19 (b) To the extent allowed by federal law, an individual is
20 financially eligible to participate in the Texas home living
21 (TxHmL) waiver program if the individual's income is not more than
22 the special income limit established by the commission for other
23 Section 1915(c) waiver programs, including the home and
24 community-based services (HCS) waiver program.

25 (c) To the extent permitted by federal law, the commission
26 shall expand medical eligibility criteria under the Texas home
27 living (TxHmL) waiver program to ensure that an individual is

1 medically eligible to participate in the waiver program if the
2 individual:

3 (1) has a primary diagnosis by a licensed physician of
4 a related condition that is included on the list of diagnostic codes
5 for persons with related conditions that are approved by the
6 commission; and

7 (2) has moderate to extreme deficits in adaptive
8 behavior, as determined by commission rule, obtained by
9 administering a standardized assessment of adaptive behavior.

10 SECTION 3. As soon as practicable after the effective date
11 of this Act, the Health and Human Services Commission shall:

12 (1) develop the questionnaire required by Section
13 531.06011(b), Government Code, as added by this Act, and, subject
14 to the availability of funds, implement Subsection (d) of that
15 section not later than September 1, 2024;

16 (2) determine the feasibility of developing an online
17 portal under Section 531.06011(e), Government Code, as added by
18 this Act, and if feasible, develop and implement the online portal;
19 and

20 (3) as appropriate, conduct a medical necessity
21 assessment of each child who is on the interest list for the
22 medically dependent children (MDCP) waiver program on the effective
23 date of this Act to ensure the child's eligibility for program
24 services.

25 SECTION 4. If before implementing any provision of this Act
26 a state agency determines that a waiver or authorization from a
27 federal agency is necessary for implementation of that provision,

1 the agency affected by the provision shall request the waiver or
2 authorization and may delay implementing that provision until the
3 waiver or authorization is granted.

4 SECTION 5. This Act takes effect September 1, 2021.

ADOPTED

MAY 24 2021

Lately Spaw
Secretary of the Senate

L. W. Kelleher

FLOOR AMENDMENT NO. 1

BY: _____

1 Amend H.B. No. 3720 (senate committee report) as follows:

2 (1) In SECTION 1 of the bill, strike added Sections
3 531.06011(d) and (e), Government Code (page 1, line 61 through page
4 2, line 10), and reletter subsequent subsections of that section
5 and cross-references to those subsections accordingly.

6 (2) Strike SECTION 2 of the bill, adding Section 32.0521,
7 Human Resources Code (page 2, line 52 through page 3, line 28).

8 (3) In SECTION 3(1) of the bill (page 3, lines 32 through
9 34), strike ", and, subject to the availability of funds, implement
10 Subsection (d) of that section not later than September 1, 2024".

11 (4) In SECTION 3 of the bill (page 3, lines 35 through 37),
12 strike Subdivision (2) and renumber subsequent subdivisions of the
13 SECTION and cross-references to those subdivisions accordingly.

14 (5) Add the following appropriately numbered SECTION to the
15 bill:

16 SECTION _____. The Health and Human Services Commission is
17 required to implement a provision of this Act only if the
18 legislature appropriates money to the commission specifically for
19 that purpose. If the legislature does not appropriate money
20 specifically for that purpose, the commission may, but is not
21 required to, implement a provision of this Act using other
22 appropriations that are available for that purpose.

23 (6) Renumber the SECTIONS of the bill accordingly.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 27, 2021

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3720 by Frank (Relating to interest lists and eligibility criteria for certain Medicaid waiver programs.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill. The Health and Human Services Commission is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

The bill would require the Health and Human Services Commission (HHSC), in consultation with the Intellectual and Developmental Disability System Redesign Advisory Committee, State Medicaid Managed Care Advisory Committee, and other stakeholders, to develop a questionnaire for individuals on an interest list for a Medicaid waiver program, including: Community Living Assistance and Support Services (CLASS); Home and Community-based Services (HCS); Deaf-Blind with Multiple Disabilities (DBMD); Texas Home Living (TxHmL); Medically Dependent Children Program (MDCP); and STAR+PLUS Home and Community-Based Services (STAR+PLUS HCBS). An individual who is on an interest list who does not respond to requests for updates to interest list information or does not maintain contact with HHSC would be considered inactive until they make contact with HHSC.

HHSC would be required to conduct a medical necessity assessment of a child receiving Supplemental Security Income (SSI) whose parent or guardian expresses interest in placing the child on the MDCP interest list before the child is placed on the interest list. As soon as practicable after the effective date of the bill, HHSC would be required to conduct a medical necessity assessment of a child on the MDCP interest list who is receiving SSI.

This analysis assumes there would be a minimal cost associated with implementing the provisions of the bill that could be absorbed within current resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Hlth & Human Svcs Comm

LBB Staff: JMc, AKI, RD, JLI

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 20, 2021

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3720 by Frank (Relating to interest lists and eligibility criteria for certain Medicaid waiver programs.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3720, As Engrossed : a negative impact of (\$6,820,825) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$3,465,171)
2023	(\$3,355,654)
2024	(\$3,791,326)
2025	(\$3,791,598)
2026	(\$4,118,435)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from GR Match For Medicaid 758	Probable Savings/(Cost) from Federal Funds 555	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$3,272,508)	(\$192,663)	(\$388,664)	3.0
2023	(\$3,272,508)	(\$83,146)	(\$83,146)	3.0
2024	(\$3,707,916)	(\$83,410)	(\$83,410)	3.0
2025	(\$3,707,916)	(\$83,682)	(\$83,682)	3.0
2026	(\$4,034,472)	(\$83,963)	(\$83,963)	3.0

Fiscal Analysis

The bill would require the Health and Human Services Commission (HHSC), in consultation with the Intellectual and Developmental Disability System Redesign Advisory Committee, State Medicaid Managed Care Advisory Committee, and other stakeholders, to develop a questionnaire for individuals on an interest list for a Medicaid waiver program, including: Community Living Assistance and Support Services (CLASS); Home and Community-based Services (HCS); Deaf-Blind with Multiple Disabilities (DBMD); Texas Home Living (TxHmL); Medically Dependent Children Program (MDCP); and STAR+PLUS Home and Community-Based Services (STAR+PLUS HCBS). HHSC would be required, subject to the availability of funds, to require all individuals on an interest list for a waiver program to complete or update the questionnaire on an annual basis.

Additionally, the bill would require HHSC to develop an online portal for individuals to request placement on an interest list and to complete and update the questionnaire, if HHSC determines doing so is feasible. An individual who is on an interest list who does not respond to requests for updates to interest list information or does not maintain contact with HHSC would be considered inactive until they make contact with HHSC.

HHSC would be required to conduct a medical necessity assessment of a child receiving Supplemental Security Income (SSI) whose parent or guardian expresses interest in placing the child on the MDCP interest list before the child is placed on the interest list. As soon as practicable after the effective date of the bill, HHSC would be required to conduct a medical necessity assessment of a child on the MDCP interest list who is receiving SSI.

The bill would require HHSC to expand financial and diagnostic eligibility criteria for the TxHmL waiver program.

Methodology

According to HHSC, updates to the Texas Integrated Eligibility Redesign System (TIERS) would be necessary to implement the provisions of the bill. It is assumed the upgrades would be completed during fiscal year 2022 at a cost of \$0.4 million in All Funds. It is assumed costs associated with technology changes would receive a 75 percent federal match.

It is assumed HHSC would require an additional 3.0 full-time equivalents (FTEs) to complete data entry related to the questionnaire and address additional contacts with individuals on the interest list. The estimated cost for additional FTEs is \$0.2 million in each fiscal year. It is assumed FTE-related costs would receive a 50 percent federal match.

According to HHSC, local intellectual and development disability authorities (LIDDAs) would require additional FTEs to annually administer the questionnaire for HCS and TxHmL. It is assumed HHSC would provide additional grant funding of \$3.3 million in General Revenue in fiscal year 2022, \$3.3 million in General Revenue in fiscal year 2023, \$3.7 million in General Revenue in fiscal year 2024, \$3.7 million in General Revenue in fiscal year 2025, and \$4.0 million in General Revenue in fiscal year 2026 for this purpose.

The analysis assumes the remaining duties and responsibilities associated with implementing provisions of the bill could be accomplished by utilizing existing agency resources.

Technology

Technology costs are estimated to be \$0.4 million in All Funds in fiscal year 2022, and \$1,728 in All Funds in each subsequent year. This includes \$0.3 million in All Funds for upgrades to TIERS and \$4,875 for FTE-related technology costs in fiscal year 2022 and \$1,728 in each subsequent year for FTE-related technology costs.

Local Government Impact

According to HHSC, the local intellectual and developmental disability authorities would need additional full-time equivalents to assist with implementation. These costs are assumed and stated above.

Source Agencies: 529 Hlth & Human Svcs Comm

LBB Staff: JMc, AKI, JLI, RD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 29, 2021

TO: Honorable James B. Frank, Chair, House Committee on Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3720 by Frank (Relating to interest lists and eligibility criteria for certain Medicaid waiver programs.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3720, Committee Report 1st House, Substituted : a negative impact of (\$6,820,825) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$3,465,171)
2023	(\$3,355,654)
2024	(\$3,791,326)
2025	(\$3,791,598)
2026	(\$4,118,435)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from GR Match For Medicaid 758	Probable Savings/(Cost) from Federal Funds 555	Change in Number of State Employees from FY 2021
2022	(\$3,272,508)	(\$192,663)	(\$388,664)	3.0
2023	(\$3,272,508)	(\$83,146)	(\$83,146)	3.0
2024	(\$3,707,916)	(\$83,410)	(\$83,410)	3.0
2025	(\$3,707,916)	(\$83,682)	(\$83,682)	3.0
2026	(\$4,034,472)	(\$83,963)	(\$83,963)	3.0

Fiscal Analysis

The bill would require the Health and Human Services Commission (HHSC), in consultation with the Intellectual and Developmental Disability System Redesign Advisory Committee, State Medicaid Managed Care Advisory Committee, and other stakeholders, to develop a questionnaire for individuals on an interest list for a Medicaid waiver program, including: Community Living Assistance and Support Services (CLASS); Home and Community-based Services (HCS); Deaf-Blind with Multiple Disabilities (DBMD); Texas Home Living (TxHmL); Medically Dependent Children Program (MDCP); and STAR+PLUS Home and Community-Based Services (STAR+PLUS HCBS). HHSC would be required, subject to the availability of funds, to require all individuals on an interest list for a waiver program to complete or update the questionnaire on an annual basis.

Additionally, the bill would require HHSC to develop an online portal for individuals to request placement on an interest list and to complete and update the questionnaire, if HHSC determines doing so is feasible. An individual who is on an interest list who does not respond to requests for updates to interest list information or does not maintain contact with HHSC would be considered inactive until they make contact with HHSC.

HHSC would be required to conduct a medical necessity assessment of a child receiving Supplemental Security Income (SSI) whose parent or guardian expresses interest in placing the child on the MDCP interest list before the child is placed on the interest list. As soon as practicable after the effective date of the bill, HHSC would be required to conduct a medical necessity assessment of a child on the MDCP interest list who is receiving SSI.

The bill would require HHSC to expand financial and diagnostic eligibility criteria for the TxHmL waiver program.

Methodology

According to HHSC, updates to the Texas Integrated Eligibility Redesign System (TIERS) would be necessary to implement the provisions of the bill. It is assumed the upgrades would be completed during fiscal year 2022 at a cost of \$0.4 million in All Funds. It is assumed costs associated with technology changes would receive a 75 percent federal match.

It is assumed HHSC would require an additional 3.0 full-time equivalents (FTEs) to complete data entry related to the questionnaire and address additional contacts with individuals on the interest list. The estimated cost for additional FTEs is \$0.2 million in each fiscal year. It is assumed FTE-related costs would receive a 50 percent federal match.

According to HHSC, local intellectual and development disability authorities (LIDDAs) would require additional FTEs to annually administer the questionnaire for HCS and TxHmL. It is assumed HHSC would provide additional grant funding of \$3.3 million in General Revenue in fiscal year 2022, \$3.3 million in General Revenue in fiscal year 2023, \$3.7 million in General Revenue in fiscal year 2024, \$3.7 million in General Revenue in fiscal year 2025, and \$4.0 million in General Revenue in fiscal year 2026 for this purpose.

The analysis assumes the remaining duties and responsibilities associated with implementing provisions of the bill could be accomplished by utilizing existing agency resources.

Technology

Technology costs are estimated to be \$0.4 million in All Funds in fiscal year 2022, and \$1,728 in All Funds in each subsequent year. This includes \$0.3 million in All Funds for upgrades to TIERS and \$4,875 for FTE-related technology costs in fiscal year 2022 and \$1,728 in each subsequent year for FTE-related technology costs.

Local Government Impact

According to HHSC, the local intellectual and developmental disability authorities would need additional full-time equivalents to assist with implementation. These costs are assumed and stated above.

Source Agencies: 529 Hlth & Human Svcs Comm

LBB Staff: JMc, AKI, JLI, RD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 4, 2021

TO: Honorable James B. Frank, Chair, House Committee on Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3720 by Frank (Relating to interest lists and eligibility criteria for certain Medicaid waiver programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3720, As Introduced : a negative impact of (\$11,794,493) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$5,126,698)
2023	(\$6,667,795)
2024	(\$7,796,255)
2025	(\$8,320,250)
2026	(\$9,113,773)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(Cost) from GR Match For Medicaid 758</i>	<i>Probable Savings/(Cost) from Federal Funds 555</i>	<i>Probable Revenue Gain/(Loss) from General Revenue Fund 1</i>
2022	(\$3,272,508)	(\$1,905,263)	(\$3,053,957)	\$38,305
2023	(\$3,272,508)	(\$3,642,995)	(\$5,639,428)	\$185,781
2024	(\$3,707,916)	(\$4,284,200)	(\$6,620,836)	\$146,896
2025	(\$3,707,916)	(\$4,829,238)	(\$7,437,963)	\$162,678
2026	(\$4,034,472)	(\$5,230,780)	(\$7,921,046)	\$113,609

<i>Fiscal Year</i>	<i>Probable Revenue Gain/(Loss) from Foundation School Fund 193</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	\$12,768	3.0
2023	\$61,927	3.0
2024	\$48,965	3.0
2025	\$54,226	3.0
2026	\$37,870	3.0

Fiscal Analysis

The bill would require the Health and Human Services Commission (HHSC), in consultation with the Intellectual and Developmental Disability System Redesign Advisory Committee, State Medicaid Managed Care Advisory Committee, and other stakeholders, to develop a questionnaire for individuals on an interest list for Medicaid waiver programs, including: Community Living Assistance and Support Services (CLASS); Home and Community-based Services (HCS); Deaf-Blind with Multiple Disabilities (DBMD); Texas Home Living (TxHmL); Medically Dependent Children Program (MDCP); and STAR+PLUS Home and Community-Based Services (STAR+PLUS HCBS). HHSC would be required, no later than September 1, 2024 and subject to the availability of funds, to require all individuals on an interest list for a waiver program to complete or update the questionnaire on an annual basis. Additionally, the bill would require HHSC to explore the creation of an online portal for individuals to request placement on an interest list and to include and update the questionnaire. An individual who is on an interest list who does not respond to requests for updates to interest list information or does not maintain contact with HHSC would be considered inactive until they make contact with HHSC. An individual who is inactive for four or more years would not be included in reporting by HHSC regarding the number of individuals on an interest list for a waiver program.

As soon as possible, HHSC would be required to assess the eligibility of individuals who receive Supplemental Security Income (SSI) and are on the interest list for MDCP as of September 1, 2021. After September 1, 2021, HHSC would be required to assess eligibility for individuals receiving SSI who express interest in receiving MDCP waiver program services without first placing the individual on the MDCP interest list.

The bill would require HHSC to establish income eligibility criteria for the TxHmL waiver program so that an individual with income at or below 300 percent of the federal poverty level is eligible for the program. HHSC would also be required to add a level of care VIII (8) to the eligibility criteria for the program.

Methodology

According to HHSC, updates to the Texas Integrated Eligibility Redesign System (TIERS) would be necessary to implement the provisions of the bill. It is assumed the upgrades would be completed during fiscal year 2022 at a cost \$0.4 million in All Funds. It is assumed costs associated with technology changes would receive a 75 percent federal match.

It is assumed HHSC would require an additional 3.0 full-time equivalents (FTEs) to complete data entry related to the questionnaire and address additional contacts with individuals on the interest list. The estimated cost for additional FTEs is \$0.2 million in each fiscal year. It is assumed FTE-related costs would receive a 50 percent federal match.

According to HHSC, local intellectual and development disability authorities (LIDDAs) would require additional FTEs to annually administer the questionnaire for HCS and TxHmL. It is assumed HHSC would provide additional grant funding of \$3.3 million in General Revenue in fiscal year 2022, \$3.3 million in General Revenue in fiscal year 2023, \$3.7 million in General Revenue in fiscal year 2024, \$3.7 million in General Revenue in fiscal year 2025, and \$4.0 million in General Revenue in fiscal year 2026 for this purpose.

It is assumed that the average monthly number of individuals receiving MDCP waiver services would increase by 269 in fiscal year 2022 and continue to increase in each subsequent year, reaching 663 in fiscal year 2026. The estimated cost associated with increased MDCP caseloads is \$4.4 million in All Funds, including \$1.7 million in General Revenue, in fiscal year 2022 and increases to \$13.0 million in All Funds, including \$5.1 million in General Revenue, in fiscal year 2026. The estimate only reflects the costs of providing long-term services and supports because all individuals eligible for SSI are automatically eligible to receive Medicaid acute care services.

The net increases in client services payments through managed care are assumed to result in an increase to insurance premium tax revenue, estimated as 1.75 percent of the increased managed care expenditures. Revenue is adjusted for assumed timing of payments and prepayments resulting in assumed increased collections of \$0.1 million in fiscal year 2022, \$0.2 million in fiscal year 2023, \$0.2 million in fiscal year 2024, \$0.2 million in fiscal year 2025, and \$0.2 million in fiscal year 2026. Pursuant to Section 227.001(b), Insurance Code, 25 percent of the revenue is assumed to be deposited to the credit of the

Foundation School Fund.

The analysis assumes the remaining duties and responsibilities associated with implementing provisions of the bill could be accomplished by utilizing existing agency resources.

Technology

Technology costs are estimated to be \$0.4 million in All Funds in fiscal year 2022, and \$1,728 in All Funds in each subsequent year. This includes \$0.3 million in All Funds for upgrades to TIERS and \$4,875 for FTE-related technology costs in fiscal year 2022 and \$1,728 in each subsequent year for FTE-related technology costs.

Local Government Impact

According to HHSC, the local intellectual and developmental disability authorities would need additional full-time equivalents to assist with implementation. These costs are assumed and stated above.

Source Agencies: 529 Hlth & Human Svcs Comm

LBB Staff: JMc, AKI, JLI, RD